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XTO REV PROD 88 (7-69) PAID UP (04/17/07)8

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 5th day of West 2010, between Thurman Dalrymple and wife. Ruth E. Dalrymple, Lessor, (whether one or more), whose address is: 15808 Brenton Hills Ave. Edmond, OK 73013, and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH:

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the coverants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive light of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not smiller to those mentioned), together with the right to make surveys on said land lay pipe lines, establish and utilize facilities for surface of subsurface disposal of salt water, construct roads and bridges, dig canalis, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant. State of Texas, and is described as follows:

See Attached Exhibit "A"

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This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired little or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument expressed by Lessoe for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 9.172 acres, whether extually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as tump sum consideration for this lesso and all rights and options hereunder.

- 2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of <u>Three</u> years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- with no cessation for more than ninety (\$0) consecutive days.

 3. As royalty. Lessee covenants and agrees: (a) To deliver to this credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 25% part of all oil produced and saved by Lessee from said land, or from time to line, at the option of Lessee, to pay Lessor the average posted market price of such 25% part of all such oil at the wells as of the day in; such is the pipe ine or storage tanks, Lessor's interest, in either case, to bear 25% of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or 25% of such gas and casinghead gas; (c) To pay Lessor on all other minerals innered and marketed or unitized by Lessee from said land, one-tenth either in kind or value at the well or miner at Lessee's election, all other miners innered and marketed or unitized by Lessee from said land, one-tenth either in kind or value at the well or miner at Lessee's election, so the marketed or unitized by Lessee from said land, one-tenth either in kind or value at the well or miner at Lessee's election, or the producing oil or gas, and all such wells are shuff in, shall be one dollar (3) to per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shuffin, and thereafter this lesse may be continued in force as timely necessary to shall be captioned to produce the mount of the caption of the primary term, all such wells are shuffin in sease than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be obligated to
- playment. Nothing herein shall imposit Lessaes is right to release as provided in paragraph 5 hereof. In the event of assignment of this lesses in whole or in part, sibility for payment hereunder shall rest exclusively on the their owner or owners of the issaes, experiency as to acreage covered by each.

 A. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lesses with any other land, lessee, or lesses, six orang or all minerate or horizons, so as to establish under containing not more than 50 surface acres plus 10% acreage foterance, if limited to one or more of the following, 10 gas, other than cashiplead gas, (2) isquelt hydrocarbons (condensate) which are not liquid enter the subsurdance reservoir. 2) minerate produced from wells classified as gas wells by the conservation agreeny having jurisdiction. If larger units than any of those herein permitted, either at the measurement of the extension of the conformation of the deling or operation of a well as a regular location, or for obtaining maximum allowable from any well to be drifted, drilling, or already drifted, any each unit may be established to a require location, or for obtaining maximum allowable from any well to be drifted, drilling, or already drifted, any each unit may be established to a require location, or for obtaining maximum allowable from any well to be drifted, drilling, or already drifted, any each unit may be established to enter the conform to the size permitted or require by such governmental make sade in which this lease is recorded. Such unit shall become effective as of the deling provided for its sold instance or or interments make no such provision. Here such unit shall become effective and the delessation instance or one of the drifte provision. Here is such unit shall be considerable on the deless such instance or may be mineral unitarity of executions or production may be exercised by the lease is in force, and whether before or after operations or production may be exercised by the
- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.

- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, testing, completing, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lesson's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successors assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner. Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lesse for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), such acreage to be designated by Lessee as rearrly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require, and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royallies or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oit, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's mixrest is herein specified or not), or no interest therein, then the royalties and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations or said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN MITMERS MALIEDRAE AND INCOME.

14 VATITALISS VARICACION, this institution is executed on the date first above written.
LESSOR(S)
<u>-27uma Zafaja 7k</u>
Thurman Delitymple
Lexit & Na leyengely
Ruth E. Dalrymple
STATE OF CKWrence
COUNTY OF 100000000000000000000000000000000000
The same of the sa
This instrument was acknowledged before me on the day of2010 by Thurman Dairymple and Ruth E.
Signature COND VONS
Actary Public
Printed X/S/X/ D. TOXXV ^C

Exhibit "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated MARCH 5,2010, by and between Thurman Dalrymple and wife. Ruth E. Dalrymple, and XTO Energy Inc.

NO SURFACE DRILLING USE CLAUSE

It is hereby agreed and understood that there shall be no drilling activities on the surface of the leased premises without the prior written permission from the surface owner of the applicable portion of the leased premises. Notwithstanding the foregoing, this waiver of surface shall not be construed as a waiver of the rights of Lessee to utilize the subsurface of the leased premises under this lease, and Lessee shall have the right to exploit, explore for, develop and produce oil, gas and other covered minerals under this lease from wells from surface locations off the leased premises, including, but not limited to, directional or horizontal drilling activity which comes under the surface of the leased premises. This drilling surface waiver does not apply to any surface rights associated with instruments other than this lease.

LEGAL DESCRIPTION

Lot 54, Block 8, of Phase Four, Lonesome Dove Estates, an addition to the city of Arlington, Tarrant County, Texas according to the plat recorded in Cabinet A, Slide 4570, Plat Records, Tarrant County, Texas.

This lease shall include all streets, alleyways, easements, gores and strips of land adjacent and contiguous thereto.

SIGNED FOR IDENTIFICATION:

Thurman Dalrympie

Ruth E. Dalozopia